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Legitimacy-seeking mechanisms in product innovation: a qualitative study¹

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Abstract

Product innovation research adopts a rational choice perspective to examine resource allocation decisions for product innovation. This research emphasises strategic alignment between the innovation and the organisation as the key factor shaping these decisions. In contrast, organisational research suggests that to access resources, product innovations have to be perceived as legitimate by corporate sponsors. Legitimacy is rooted in alignment with the prevalent corporate norms, beliefs, and cultural model. Adopting an institutional perspective and relying on an in-depth case study of three product innovations, this study explores legitimacy-seeking behaviour in product innovation. The findings indicate that the rational perspective emphasised in most product innovation research is complemented by efforts to seek both moral and cognitive legitimacy to resource product innovation. The study clarifies the critical role that the organisational context plays in triggering legitimacy-seeking behaviour. The analysis unpacks legitimacy-seeking behaviour, revealing patterns of legitimating mechanisms (lobbying, relationship building, and gathering feedback) that are deployed as part of legitimacy strategies (conforming, selecting and manipulating) to achieve a range of legitimacy outcomes (pragmatic, moral and cognitive). The analysis reveals the existence of a hierarchy of legitimacy outcomes as actors prioritise one type of legitimacy versus

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another. The study also finds inter-dependencies between mechanisms and strategies to reinforce particular outcomes as legitimacy-seeking behaviour evolves over time.

Practitioner points:

- Gathering support for new product ideas depends on the product managers' ability to legitimise the product idea through demonstrating either the utility of a product, and/or its alignment with the normative expectations and the prevalent cultural models within their organisation.
- Legitimation can be achieved through deploying specific legitimacy seeking mechanisms, including lobbying, relationship building and seeking feedback, as part of one or more of the following strategies: conforming to organisational expectations, selecting supportive audiences and manipulating their perceptions.
- Combining different mechanisms as part of varied strategies, and targeting multiple legitimacies is likely to be more efficient than focusing solely on conforming to demonstrate product utility as recommended by most existing best practice product innovation studies.
- Legitimacy-seeking efforts involves trade-offs and interdependencies leading to different legitimacy outcomes, so that particular combinations of mechanisms and strategies can be used strategically to target specific legitimacy outcomes.

Introduction

How do innovators gain acceptance for their new product idea within established organisations? How do they engage with internal stakeholders to ensure that resources are allocated and support is lent to develop their new idea into a fully-fledged product? By and large, new product development (NPD) research takes a strategic rational choice perspective to examine resource allocation for product innovation (Klingebiel and Rammer, 2013) arguing that product innovations are desirable and appropriate if they fit

with an organisation's strategy (Kahn et al., 2012; Kester, Hultink and Griffin, 2014). However, in practice decision-making during product innovation is a political process shaped by the distribution of power within a firm (Weissenberger-Eibl and Teufel, 2011), characterised by extensive negotiation among different corporate interest groups (Martinsuo, 2013), and whose outcome depends on the ability of a project manager to lobby effectively for support and resources (Rauniar et al., 2008). Thus in order to acquire resources to pursue their product idea, innovator actors often complement rational decision-making approaches based on strategic alignment with efforts to legitimize their product selection decisions (Gutierrez and Magnusson, 2014). Organisational research shows how organisational innovator actors seek to legitimize their idea internally (Drori and Honig, 2013) by emphasising cognitive and normative alignments with the organisation (Dougherty and Heller, 1994; Van Dijk et al., 2011), rather than relying on economic calculations of strategic fit. Acquiring internal legitimacy is critical, as legitimacy provides actors with access to corporate resources (Parsons, 1960), allowing them to progress their innovation idea through to development (Kannan-Narasimhan, 2014).

While organisational research has a long tradition of exploring legitimacy from an institutional perspective (Scott, 1987), interest in legitimacy as a means of obtaining access to resources has only recently emerged in other management areas such as entrepreneurship (Zimmerman and Zeitz, 2002), product innovation in new ventures (Rao, Chandy and Prabhu, 2008), and marketing (Park et al., 2012).

This article argues that, given the evidence that internal legitimacy plays a critical role during product innovation, one important avenue for research is to explore the institutional dynamics that underlie legitimacy-seeking behaviour in product innovation, beyond the strategic alignment emphasised by the dominant rational choice paradigm. To

explore legitimacy-seeking behaviour, this study focuses on one particular type of product innovation where the challenges of legitimacy are exacerbated: value-adding complementary product innovations in marginal units. Value-adding complementary products have huge potential to create competitive advantage for firms engaged in developing primary products (Sengupta, 1998). However, as organisations tend to focus on their core competencies (Prahalad and Hamel, 1990), they prioritise resource allocation for the development of primary products which match existing organisational competencies at the expense of complementary products. Moreover, marginal business units occupy low positions in the organisational power hierarchy, with limited “status” and little legitimacy (Battilana, 2011). Lacking legitimacy, such marginal units, and the innovations they initiate, are often starved of adequate support and resources, compelling innovator actors to engage in legitimacy-seeking behaviour. The research questions are:

RQ1: What are the contextual factors that trigger innovator actors to seek legitimacy for their product innovations?

RQ2: What forms of legitimacy do innovator actors seek for their product innovation?

RQ3: What are the mechanisms through which legitimacy responses are enacted by innovator actors during product innovation?

The research questions are addressed through an in-depth, longitudinal qualitative case study of three complementary product innovations in a large consumer technology company. The findings lead to the development of a framework that (i) clarifies the role of context in triggering legitimacy-seeking behaviour; (ii) provides a granular analysis of legitimacy-seeking behaviour by differentiating between types of legitimacy; and (iii) reveals the low-level legitimacy mechanisms that innovator actors deploy as part of their high-level legitimacy strategies.

Theoretical framework

Institutional theory and legitimacy

Institutional theory emerged as a response to economic and resource dependency theories that explain organisational action based on strategic, self-interest calculations (Scott, 1987). In contrast to these economic approaches, institutional theory conceptualises organisational behaviour as the product of ideas, values and beliefs that originate in the institutional environment in which organisations are embedded (DiMaggio and Powell, 1983). In order to survive, organisations follow what is socially perceived as legitimate in their environment, rather than making rational calculations based on economic efficiency and performance (Meyer and Rowan, 1977). Institutional theory thus places special emphasis on legitimacy processes through which organisations conform to what is seen as “*desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.*” (Suchman, 1995; pg. 574). Legitimacy is important because it increases chances of survival (Meyer and Rowan, 1977) as stakeholders are more willing to commit resources to legitimate actors (Parsons, 1960). Most organisational research focuses on external legitimacy, which is granted to organisations by external stakeholders such as suppliers, customers or other interest groups (e.g. Meyer and Rowan, 1977). Less understood is internal legitimacy, which is granted to individual organisational actors or groups such as business units (Brown and Toyoki, 2013). This study focuses on internal legitimacy, defined as the collective acceptance by organisational members that a product innovation developed by an organisational actor is desirable, proper or appropriate (see Suchman, 1995).

Research identifies different types of legitimacy and a variety of organisational actions to gain such legitimacy (Oliver, 1991; Zimmerman and Zeitz, 2002). This study draws from Suchman’s (1995) work, which differentiates between three types of organisational legitimacy depending on their underlying behavioural dynamics: pragmatic, based on

interest; moral, based on evaluation; and cognitive based on cognition. While pragmatic legitimacy follows the rational, strategic tradition, moral and cognitive legitimacy conform to the institutional perspective.

Pragmatic legitimacy is based on “*the self-interest calculations*” of an organisation’s stakeholders (Suchman, 1995, pg, 578), requiring an assessment of the organisation’s expected value (exchange legitimacy); its degree of alignment with the stakeholders’ own goals and interests (influence legitimacy); or its good character, i.e. whether the organisation is honest, trustworthy, decent and wise (dispositional legitimacy). While pragmatic legitimacy assumes an organisation to be desirable based on its utility to the audience (Golart and Sillince, 2007), moral and cognitive legitimacies assess desirability based on the organisation’s alignment with the normative beliefs and cultural model embedded within the audience’s institutionalised value system. Moral legitimacy requires an assessment of organisational actions as being “*the right thing to do*” (Suchman, 1995, pg. 579) based on an evaluation of the organisation’s consequences and outputs (consequential legitimacy); its techniques and procedures (procedural legitimacy); its structural characteristics and the categories it belongs to (structural legitimacy); or its leaders and representatives (personal legitimacy). Cognitive legitimacy considers whether the organisation is valid based either on its inevitability as the organisation is “*taken for granted*” within a particular context so that alternatives are unthinkable (taken for granted legitimacy); or its comprehensibility as the organisation aligns with the prevalent cultural model thus being comprehensible to its audience (comprehensibility legitimacy) (Suchman, 1995).

When organisations lack one or multiple types of legitimacy, they respond to legitimacy crises by choosing between three legitimacy strategies: conforming, selection and manipulation (Suchman, 1995). Conforming is the most common strategy, and involves

adapting organisational structures and procedures to fit the institutional regime, thus signalling allegiance to the existing cultural order (Meyer and Rowan, 1977). In fragmented contexts, organisations can avoid changing their behaviours by selecting an environment that will give them legitimacy. Manipulation might be pursued by innovators whose actions depart significantly from existing norms and who may develop new explanations of social reality to mould the environment to fit their needs (Suchman, 1995).

Product innovation and legitimacy

Gaining legitimacy for a new product idea early in development is critical to allow innovator actors to acquire resources to develop and concretize their emergent idea before it is accepted into the formal corporate NPD process (Floren and Frishammar, 2012). However, existing NPD research prescribes that idea generation (Amabile, 1998), new product opportunities (Floren and Frishammar, 2012), the criteria for resource allocation (Cooper, Edgett and Kleinschmidt, 2004; Kester, Hultnik and Griffin, 2014), and more generally decisions in product innovation teams (Ulrich and Eppinger, 2012) should be aligned with a firm's strategy. The assumption underlying this prescription is that the behaviour of innovator actors is driven by economic efficiency and performance calculations. A product innovation idea is therefore "*desirable, proper and appropriate*" (Suchman, 1995) only if it is perceived by its corporate sponsors to align with their strategic interests (Cooper, Edgett and Kleinschmidt, 2004; Kester, Hultnik and Griffin, 2014) by contributing to organisational performance (Brown and Eisenhardt, 1995) (e.g. pragmatic legitimacy).

However, organisational research suggests that decision making for product innovation often overlooks rational calculations of economic efficiency. For example, Tripsas and Gavetti (2000) discuss the role of cognition in explaining why Polaroid abandoned the

digital camera project but continued with Helios, a medical digital imaging product, which conformed to the top management's preferred business model. Ray and Ray's (2011) analysis of Nano, touted as the world's cheapest car, reveals that Tata partially justified the innovation by emphasising normative alignment with the "*right things to do*". Nano was portrayed as saving lives by providing a safer means of transport, meaning that Tata "*ha[d] done something for the mass of young Indians*" (Ray and Ray, 2011, pg. 221). This strand of organisational research on product innovation emphasises legitimacy based on cognitive and normative alignments in the context of product innovation. For example, research finds that product innovation often fails because of misalignments between the cognitive templates of the corporate actors (Dougherty, 1992), and that innovator actors seek to legitimise their decisions by bypassing the accepted rational decision making approaches (Gutierrez and Magnusson, 2014) through employing a range of high-level legitimacy strategies (Dougherty and Heller, 1994; Van Dijk et al, 2011; Vermeulen, Van den Bosch and Volberda, 2007). This research has been instrumental in demonstrating the limitations of the rational choice perspective to explain product innovation, while advancing our understanding of legitimacy-seeking strategies employed during product innovation. This understanding is, however, not yet complete. First, the literature implicitly adheres to the institutional research assumption that legitimacy-seeking behaviour is triggered by legitimacy crises as organisational actors lack one or multiple forms of legitimacy (e.g. Suchman, 1995). Institutional studies find that established organisations typically view novel, unproven innovation ideas in general (Kannan-Narasimhan, 2014), and product innovation ideas in particular (Dougherty and Heller, 1994), as illegitimate as such innovations both represent a change from the established organisational norms and behaviours and are characterised by high levels of uncertainty. As product innovation ideas lack legitimacy at the outset, innovation actors

in established organisations will always engage in legitimacy-seeking behaviour to seek resources (Takeishi, Aoshima and Karube, 2010), regardless of the wider organisational context in which this innovation happens. When the context is taken into account, the focus is on its role in shaping the likelihood of success of legitimacy strategies, rather than on the likelihood that legitimacy-seeking behaviour will happen at all (Van Dijk et al., 2011). Consequently, the first research question examines the role of context in triggering legitimacy-seeking behaviour in product innovator actors (RQ1).

Second, existing research on legitimacy-seeking in product innovation evolved along two distinct strands: the rational choice perspective focusing on pragmatic legitimacy and emphasising strategic alignment as embodied in a number of “best practices” (e.g. Brown and Eisenhardt, 1995; Cooper, Edgett and Kleinschmidt, 2004; Kahn et al., 2012), and the institutional research examining strategies to gain cognitive and moral legitimacy (e.g. Van Dijk et al., 2011). These strands remain separate, and there is little effort to examine legitimacy-seeking behaviour through considering all three types of legitimacy. Even within institutional research, there is a tendency to treat legitimacy-seeking behaviour as a monolithic concept, without delineating between the types of legitimacy targeted through different legitimacy strategies. The second research question thus explores the range of legitimacies pursued by product innovator actors (RQ2).

Third, building upon the seminal work of Dougherty and Heller (1994), existing institutional research on product innovation has focused on the nature and success of legitimacy strategies. Similar to Suchman’s (1995) generic strategies, legitimacy strategies identified in the context of product innovation include (i) conforming to the usual practices within a firm by following existing processes, or by associating the innovation with a legitimate practice such as venture units; (ii) selecting supporting sponsors; and (iii) manipulating their perceptions through reframing new activities by

using legitimate metaphors such as pilot production (Dougherty and Heller, 1994; Van Dijk et al., 2011; Vermeuleun, Van den Bosch and Volberda, 2007). A further strategy is identified as (iv) tolerance-seeking, where the innovators rely on the benign neglect of the corporate actors for whom the innovation is illegitimate (Van Dijk et al., 2011). Research found that the deployment of these strategies depended on the nature of the institutionalised organisational context. For example, a homogenous institutional environment encourages conformity, whereas heterogeneity favours selection (Van Dijk et al., 2011). What is not known, however, is how these strategies are operationalised at lower levels of analysis to achieve different legitimisation outcomes. How do innovator actors signal conformity to existing norms, and what does manipulation entail in practice? How do the mechanisms through which actors enact their conformity to gain pragmatic legitimacy differ from those used to achieve moral legitimacy? The third research question therefore explores the mechanisms that underline the legitimacy-seeking strategies employed by innovator actors (RQ3).

Finally, existing studies take a snapshot view of legitimacy-seeking behaviour, examining legitimisation strategies that innovator actors pursue at one point in time for a particular product either within the same (Dougherty and Heller, 1994) or across different (Van Dijk et al., 2011) organisational contexts. There is, however, no sense of history, of the pre-existing relationships between the innovator actor and his or her corporate audience. The relationship between innovator actors and their corporate audience evolves over time, shifting and changing from one product to another. These relationships are not constructed anew at the beginning of each NPD cycle, but are defined within the context in which both the actor and his or her audience are embedded. Therefore this study examines legitimacy-seeking behaviour and contextual triggers as they evolve over time during multiple NPD cycles.

Methodology

To study the dynamics underlying legitimacy-seeking behaviour, the research design needed to elicit an in-depth understanding of a particular set of micro-level organisational activities: the interactions and behaviours of innovator actors occurring during the development of a specific product. The qualitative case study research method was chosen because of its suitability to investigate such micro-level organisational activities (Perks, Gruber and Edvardsson, 2012), and its ability to provide a deep understanding of actors' behaviours during specific processes (Woodside and Wilson, 2003). Case study research also produces rich descriptions of the contextual setting (Yin, 2003) allowing the study to explore the role that context plays in instigating legitimacy-seeking behaviour over time.

Research setting

This study followed a longitudinal case study research design, exploring legitimacy-seeking behaviour in three product innovations developed over seven years within a marginal business unit (Secondary Unit) of a large consumer technology company. Secondary Unit's products (termed secondary products) include components, and supplies complementary products such as cables and connectors and value-adding complementary products such as speakers. The company's main business (Primary Unit) targets a highly competitive segment of the consumer technology industry.

Case selection followed the intensity criterion to provide information rich cases where the manifestation of the phenomenon was intense (see Miles and Huberman, 1994). As explained in the introduction, the nature of the product (value-added, complementary) and the nature of the innovator actor (marginal) exaggerated the need for legitimacy. At the outset of the study, the Secondary Unit suffered from a long term internal legitimacy crisis, thus further intensifying its need for legitimacy (Suchman, 1995). The three

secondary product innovations were chosen based on the senior management assessment of their success in improving the Secondary Unit's legitimacy within the parent (see Table 1). It was expected that success in gaining legitimacy would be associated with intensive manifestations of legitimacy-seeking behaviour, thereby providing richer information for these products (Miles and Huberman, 1994). The products are described in Table 1.

Table 1: Complementary product innovations

<i>Product characteristics</i>	Secondary Product 1 (SecPrd1)	Secondary Product 2 (SecPrd2)	Secondary Product 3 (SecPrd3)
<i>Development time</i>	Formal approval to begin: 2009 Launch: 2010	Formal approval to begin: 2011 Launch: 2012	Formal approval to begin: 2013 Cancelled following company-wide re-organisation during which the entire category of products was shifted to another business unit: 2014
<i>Type of innovation</i>	Existing technology embedded in new product for company	Improvements in existing technology embedded in new product for the company & the industry	Early radical concept in industry & new product for the company
<i>Nature of product offering</i>	One product under the company brand	Three products, two co-branded, one under company brand	One product under company brand
<i>Link to primary product</i>	Some value added, but the product can function independently of primary product. No technology changes required in primary product	Adds value to the primary product. Requires design & technology changes in primary product with cost implications	Short term value added, long term disruption in primary product Required no direct technical change in primary product
<i>Product outcome (assessment of success on improving the legitimacy of the unit)</i>	First product to change the image of the products developed in the Secondary Unit within the company. The product was widely regarded as having beautiful design, although not being of strategic value to the primary product	Product highly successful both internally and externally. Seen as bringing large value to the primary product, and as having an image that fits market expectations. Strong alignment during development between Primary and Secondary Units, and seen as demonstrating the benefits of close collaboration	Widely regarded within the company as highly innovative and the type of product category that should be pursued (the product category was continued within a different unit)

The selection of the three product innovations was also driven by the need for maximum variety across product characteristics, in particular the type of innovation, the nature of product offering, and the products' relation to the primary products. Maximum variation

in selection ensured that the research could identify patterns across diverse variations in legitimacy-seeking behaviour. While all products were value-added complementary products, they all exemplified different types of innovation. Secondary product 1 (SecPrd1) and 2 (SecPrd2) represented incremental innovations involving either improvements in existing (SecPrd1) or new (SecPrd2) technologies to the industry. Secondary Product 3 (SecPrd3) was a radical product concept in the industry. SecPrd1 and SecPrd3 included one independent product, while SecPrd2 technology was incorporated in three products: a “basic” product providing core functionality, and two products co-developed and co-branded with external partners with added functionality. The products also exemplify different types of relationship between primary and secondary products. This relationship can be analysed from three perspectives: operational - linkages during development; strategic - contribution to value creation, and functional - interdependencies during use. Operationally, SecPrd1 and SecPrd3 required no technical changes to the primary product. SecPrd2 required the addition of a new technology with significant cost and design implications for the primary product. Functionally, SecPrd1 could be used with a variety of products outside primary product category, while SecPrd2 and SecPrd3 were tied to the primary product. Strategically, SecPrd1 had little effect on the sales of the primary product, SecPrd2 was a key differentiator to increase primary product sales and SecPrd3 had the potential to disrupt the primary market and become the main source of value for the company. Finally, the selection of the three innovations was also driven by the need to cover key stages in the evolution of the unit to reflect critical shifts in the contextual conditions triggering legitimacy-seeking behaviour (see Figure 1).

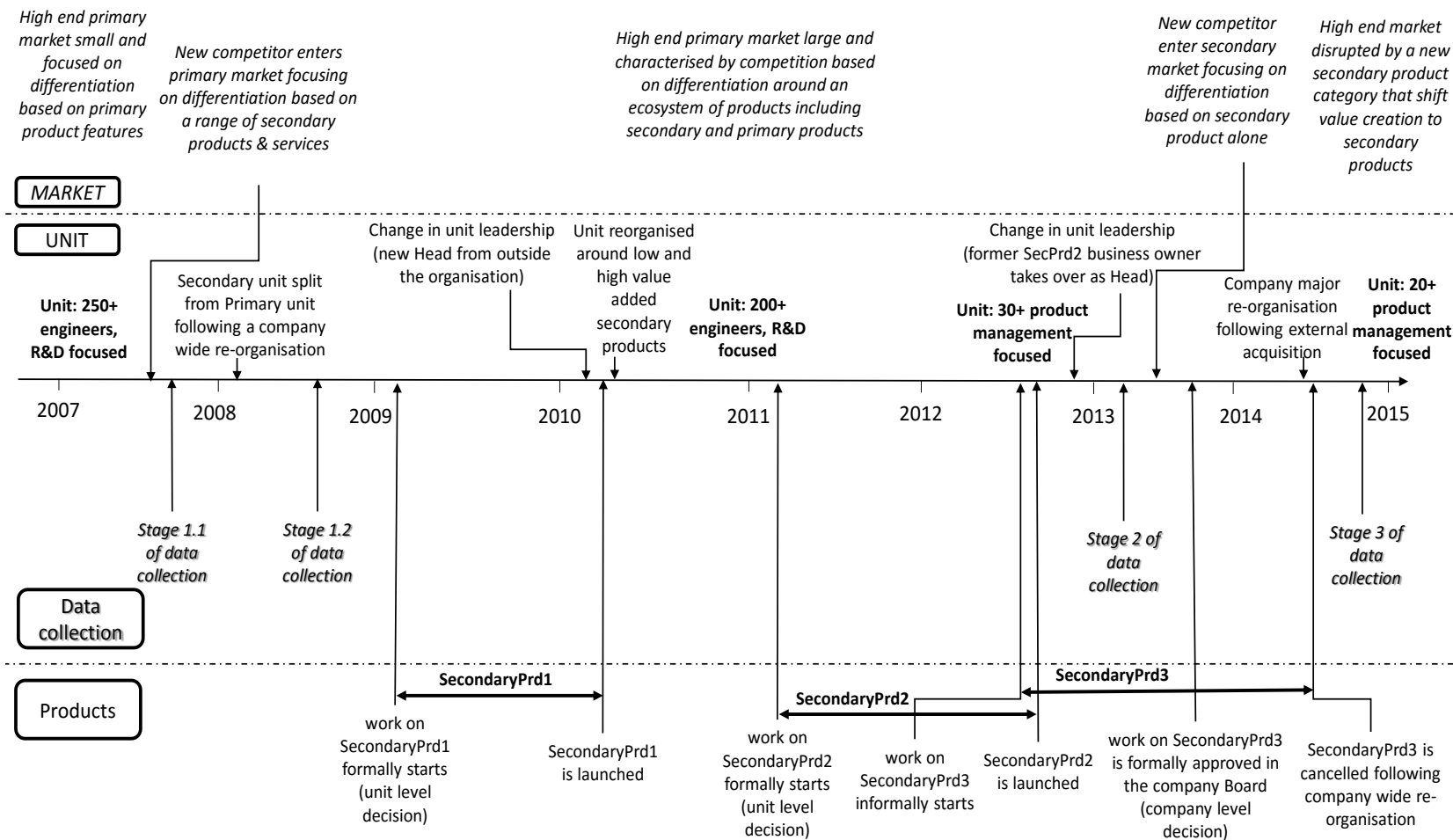


Figure 1: Study timeline

Over the seven years of this study, Secondary Unit evolved from being a relatively autonomous and large, R&D-intensive business unit with over 250 employees to being a small, product management-focused unit with fewer than 30 employees dependent on R&D resources from the parent. In parallel, the market for the primary products changed dramatically. In 2007, the high end of the primary product market was small, competition involved differentiation based on primary product attributes, and secondary products were seen as essential products fulfilling a functional (e.g. chargers) rather than a value-adding role. During the research, the high-end primary market grew dramatically, with competition involving an ecosystem of complementary products and services where secondary products were seen first as a key source of value added and, by the end of the study, as the main source for new value creation in the market.

Research design: data collection and analysis

The research design was organised in three stages over a seven-year period. Stage 1 was conducted in 2007-2008 and examined the approach to product innovation within the unit. Data collection involved sixteen interviews (ten in 2007 and six in 2008) with eleven senior managers and members of the product development team, a two-hour workshop with the unit management team (22 participants) in 2007, and the examination of extensive internal secondary documentation. Part of the data from this stage (2007) served originally to generate insights into best practice in NPD.

An opportunity to explore legitimization strategies in product innovation emerged following the introduction in 2012 of SecPrd2. This was widely perceived to have altered the unit's internal legitimacy. Stage 2 took place in early 2013 and involved ten interviews with senior staff involved in SecPrd2 development (two business owners who are responsible for an entire category of products, approve product development and appoint the product development teams, five senior managers in the unit and three senior members

of the product development team), two of whom had also been involved in SecPrd1 development (SecPrd1 business owner and a senior manager). Although the focus of data collection was on SecPrd2, the interviews also covered the approach to SecPrd1 development, which was widely considered to constitute a critical point in “paving the way” for the success of SecPrd2. Publicly available data such as company and media product reports were collected to triangulate the interview data. Stage 2 examined the approach to product development, the conditions that led to development, and the outcomes for the unit.

In 2014, in Stage 3, a three-hour interview with the business owner of SecPrd3 was conducted. SecPrd3 business owner had also been involved in a senior R&D management role in the development of SecPrd1 and SedPrd2. Stage 3 data served to examine the development of SecPrd3, and to triangulate Stage 2 data on SecPrd1 and SecPrd2.

The major downside of the informant sample is the reliance on three informants for the direct development of SecPrd1 and one for SecPrd3, while in the case of SecPrd2 ten respondents were interviewed. Reliance on one or a few informants questions the reliability of data on two counts (Woodside, 2016). First, such data are argued to reflect a limited perspective of the phenomenon, generated through the often flawed recollection of past events or behaviours. Second, such data are interpreted in isolation as there is often a lack of meaningful information about the context of these events and behaviours.

The approach taken here addresses both these counts.

First, although limited in number, SecPrd1 and SecPrd3 informants were all senior managers, including the products business owners, recollecting relatively recent events which, together with the R&D intensive nature of the industry, is found to increase the reliability of collected data (Homburg et al., 2012). Further, a reduction in unit size to about 30 R&D personnel meant that product development and legitimising activities for

SecPrd3 were much more concentrated in the business owner, rather than dispersed across a wider NPD team as it was the case during SecPrd2 development. Wherever possible the approach to data collection also involved triangulation of information from different informants across different stages, as well as triangulation between primary and secondary data such as market reports and media articles. For example SecPrd3 was briefly discussed by a senior manager during Stage 2, confirming the Stage 3 data on the significance of the product for the unit. Also, media reports on the SecPrd3 product category were used to triangulate the SecPrd3 business owner's views on the nature of the product and its possible market impact.

Second, the researcher had extensive knowledge of the context at the time SecPrd1 and SecPrd3 data were collected based on the research that was previously conducted during Stage 1 (for SecPrd1) and Stage 2 (for SecPrd3). The researcher was therefore able to relate the interview data to the context in which products were developed. Moreover, these interviews were in-depth conversations about actors' behaviour during product development (e.g. three hours for SecPrd3) made in the context of a prolonged and ongoing research engagement with the unit (over seven years), and not context free elicitations of superficial answers to a predefined set of questions from one respondent.

Data analysis progressed gradually through iterations between coding, writing narratives and revisiting the literature. An initial list of codes was developed based on the literature review, and was refined gradually during analysis. At Stage 1, the coding list reflected the original study's goal of examining good practice in product innovation, and included categories such as organisational context and NPD approach. Data from Stages 2 and 3 were initially coded using Van de Ven, Angle and Poole's (2000) categories for exploring innovation processes: ideas, people, transactions, context, and outcomes. These initial descriptive codes (Miles and Huberman, 1994), corresponding to the first order categories

suggested by Gioia, Corley and Hamilton (2012), involved identifying initial concepts from the data and relied as faithfully as possible on the terminology used by informants. Following descriptive coding, write-ups were built to triangulate the data for all first order categories. The write-ups were gradually refined to identify second order categories, and to clarify the theoretical themes and concepts emerging from the descriptive coding. To ensure coding reliability, two reports based on the write-ups were shared with the organisation to ensure that the researcher's interpretation of events reflected the understandings of the respondents (at Stages 1 and 2). Later during the analysis, as the final themes were clarified, the emerging narrative was discussed with a key respondent from the organisation involved in all three products, and with academic colleagues with innovation research expertise, to check the researcher's approach to coding and interpretation. The final data structure is presented in Figure 2, with data supporting the coding included in Table 2 (in appendix).

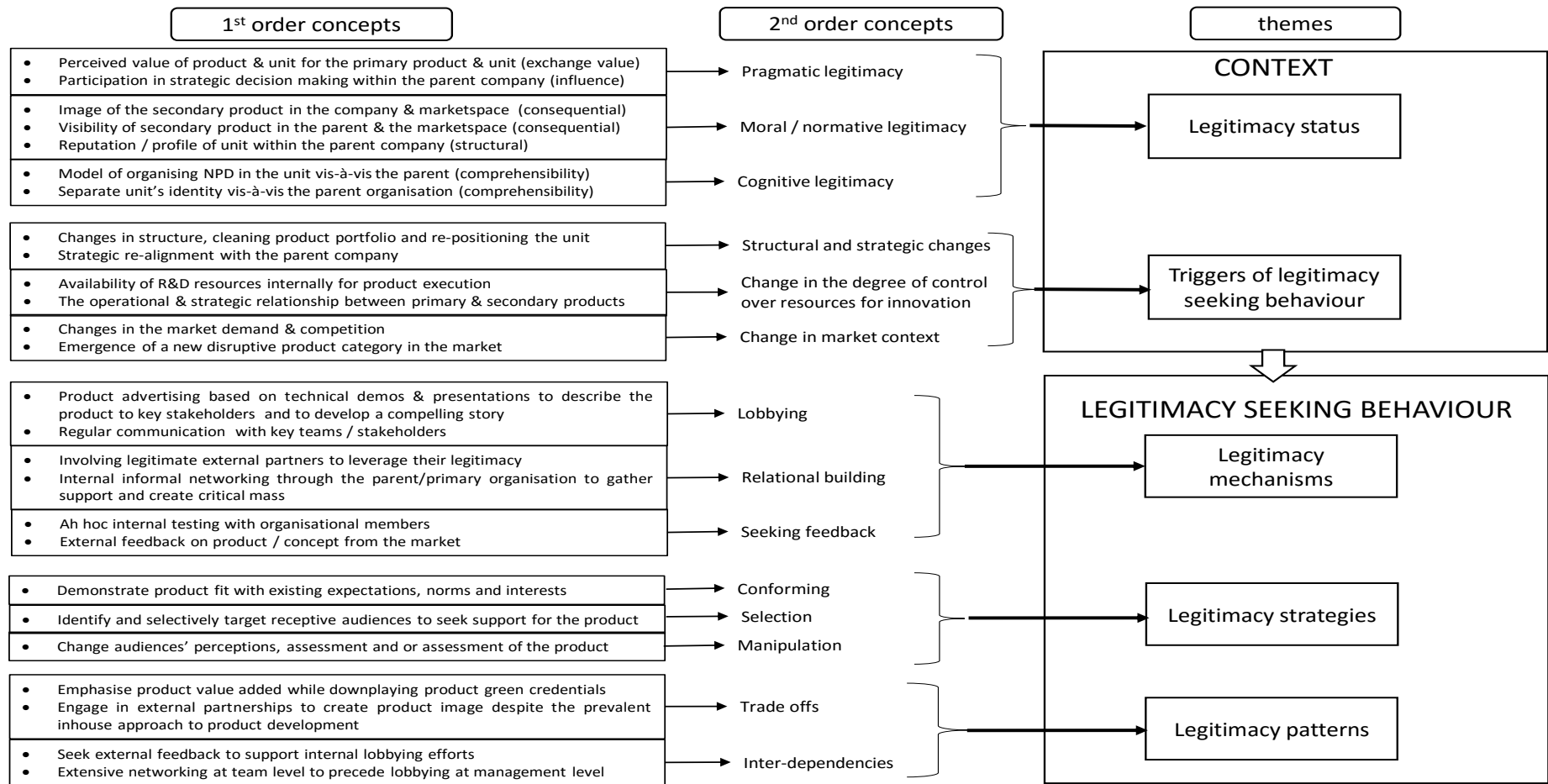


Figure 2. Data structure

Case study analysis

The analysis identified three main themes: (1) the legitimacy status of innovator actors (referring to the presence of pragmatic, moral and cognitive legitimacies); (2) contextual triggers (including structural and strategic organisational changes, changes in the degree of control that the innovator actor has over resources for innovation, and changes in the market context); and (3) legitimacy-seeking behaviours (including three legitimacy strategies, three legitimacy outcomes, and two legitimacy patterns) (see Figure 2). The next section presents the findings of the analysis separated into three narratives across these three themes, with exemplary quotes included in Table 2 (in appendix).

Legitimacy status

During the development of each product the analysis identified changes in all three types of legitimacy both before and after the introduction of the innovation.

Pragmatic legitimacy

At the beginning of the study, Secondary Unit distinguished between two product categories: value-adding complementary products, designed to support the company's strategy by differentiating the primary product in the primary market (inbox products), and standalone products, designed to contribute to the company's financial health by generating profits in the secondary market (outbox products). As outbox secondary products were significantly cheaper than primary products, their financial contribution was only about 1% of the company's total revenue. Moreover, inbox secondary products were widely seen as standardised commodities, adding little value to the primary product. The Secondary Unit was thus perceived as being of little value to the company [see quote PL1 in Table 2 in the appendix].

SecPrd1 did not alter this assessment, as although well received within the parent, it neither added value to the primary product nor generated big sales [PL2]. The parent's

assessment of the utility of secondary products, however, changed dramatically following the introduction of SecPrd2. SecPrd2's range of attributes included "*effortless functionality*"; "*magic feel*"; "*usefulness*"; "*non-technical, human feel*"; "*beautiful and elegantly done*"; and "*novelty experience*" which enabled the differentiation of primary products in the market [PL3]. The value-added ability of SecPrd2 transferred to the Secondary Unit, whose utility was beginning to be acknowledged by the parent [PL4].

Although recognised as value-adding (exchange legitimacy), Secondary Unit lacked influence within the parent (influence legitimacy), as secondary products in general were not considered as being of strategic interest to the parent [PL5]. This changed during the development of SecPrd3. Although cancelled a month before it was due out for release, SecPrd3 was widely seen as a disruptive product for the primary market [PL6], and its cancellation was followed by the realisation that secondary products now fulfilled a strategic role for the parent. For example, following SecPrd3's cancellation, strategic investment in secondary product categories was considered for the first time in the parent executive board [PL7], with the Secondary Unit being directly involved in the parent executive decision-making [PL8]. The data suggest that this mental shift was directly due to SecPrd3 development, as the board realised that they had failed to capitalise on the opportunity presented by SecPrd3 [PL9].

Moral legitimacy

During the study, competition in the high-end primary market moved gradually towards differentiation based on innovation within an ecosystem of complementary products and services that supported the primary product. In such a market, which was expected to reward innovation in complementary products, Secondary Unit was perceived to deliver essential, but "*boring*" and "*standard*" products, with "*no particular innovation*" [ML1], and lacking the innovative image desired by the customers. Image problems were present

during the development of both SecPrd1 and SecPrd2 and partially explain the parent's lack of interest in increasing the visibility of secondary products [ML2] as differentiators in the primary market. This evaluation of Secondary Unit's outputs as ineffective in meeting market expectations affected the Secondary Unit itself, which was widely perceived as being undesirable within the parent [ML3]. This negative evaluation of the unit as "*the waste reprocessing plant*" was widely held at the time of SecPrd1 development and continued after its launch, although it was somewhat reduced by the positive evaluations of SecPrd1 and a few other products that followed.

Although SecPrd1 did not alter the parent's perception of the utility of the unit, it did improve its assessment of secondary products' image [ML4&5]. It was however the success of SecPrd2 that changed the unit's consequential and structural legitimacy. Following SecPrd2 development, secondary products were seen as "*cool*", "*appealing*", "*new and fresh*", and were highly visible both internally and externally. For example, SecPrd2 was displayed prominently both on the company website and on the company promotion material, alongside recent examples of the primary product, and enjoyed positive reports in specialist media [ML6 part 1]. Moreover, the unit itself was favourably categorised internally as the "*right*" unit to be in by the parent [ML6 part 2].

Following SecPrd2's launch, the moral legitimacy crisis that the unit had faced a few years earlier was largely resolved. Therefore, the legitimisation efforts during SecPrd3 development did not aim to change either the normative evaluations of the image and visibility of secondary products or the internal reputation of the unit.

Cognitive legitimacy

At the outset of the study, the unit was characterised by strong cognitive misalignment that manifested along two dimensions: a clash between the unit's and the parent's models for organising product development, and the development of a unit identity separate from

the parent. Both dimensions relate to legitimacy based on comprehensibility, as both a particular model for organising product innovation and a specific identity provided the parent with plausible explanations to understand the purpose of the unit.

The approach to organising product development in the Secondary Unit was significantly different from that of the Primary Unit. For example, the secondary product development process involved a larger number of cheaper products with shorter life-spans compared to the primary product development process. More broadly, the Secondary Unit relied extensively on outsourced manufacturing, while in-house manufacturing was typical within the Primary Unit. Software was more strongly represented during product development in the Secondary Unit compared to the Primary Unit, where hardware and mechanics were dominant. These differences were not simply a matter of relying on different procedures and techniques, as broadly the same tools and frameworks, allowing for local adaptations, were used across the entire organisation [CL1]. Instead, these differences ran much deeper, revealing different conceptualisations of how to organise product development as outsourcing versus insourcing based and as software rich versus hardware and mechanics rich. These clashes between different organising models raised questions about the parent's ability to understand Secondary Unit's activities, ultimately leading in 2008 to the reorganisation of Secondary Unit as a semi-autonomous unit separate from the Primary Unit [CL2]. The separation revealed a split in the identity of the Secondary Unit from the parent [CL3]. This split was still evident three years later at the beginning of SecPrd2 development, when some respondents felt the need to stay separate and semi-independent from the parent [CL4].

SecPrd1 had no effect on cognitive legitimacy: the product was, by and large, a stand-alone product whose development took place within Secondary Unit and required no integration with the primary product. There was thus no need to align with the Primary

Unit's approach to product development. In contrast, SecPrd2 required the integration of a new technology into the primary product, and was developed in parallel with a new flagship primary product. The secondary and primary products were therefore developed in parallel, with product changes being negotiated between product teams. Secondary Unit adopted a collaborative development approach of "*doing it together*" with the primary product team, and "*being part of the company*". The intention was to demonstrate the validity of the Secondary Unit through alignment with the company's prevalent model for organising product development. Moreover, SecPrd2 was positioned to improve customers' experiences of primary product, reflecting a change in the Secondary Unit mission to support the Primary Unit, rather than to operate as a semi-autonomous unit. Efforts were made to portray SecPrd2 as an integral part of the primary product value proposition, representing "*one story, one experience*". These efforts emphasised the validity of SecPrd2 through its embeddedness within the primary product [CL5], and defined a new identity for the unit as part of the parent [CL6].

The development of SecPrd3 did not alter the increasing sense of belonging to the parent. As it will be discussed in the next section, the organisational context changed dramatically during the development of SecPrd3, which, in contrast with the previous two products, relied on R&D resources from the parent. The Secondary Unit, in line with the parent and independently of the outcome of SecPrd2, underwent a dramatic restructuring, and a significant change in purpose. Under these conditions, the legitimacy problem during SecPrd3 was not one of separation from, or misalignment with, the parent, but one of questioning the identity of the unit as a whole: who are we and what do we do? The development of SecPrd3 did not affect this cognitive problem.

Triggers of legitimacy-seeking behaviour through product innovation

The analysis reveals three categories of triggers that incentivised innovative actors to engage in legitimacy-seeking behaviour involving changing: (a) the unit's strategy and structure; (b) internal control over resources for innovation; and (c) market context.

Strategic and structural changes in the unit

The first trigger involved structural and strategic changes within the unit amounting to a change of members' collective sense of who they were. As was explained earlier, at the beginning of the study Secondary Unit fulfilled a dual purpose: both as a "*service function*" to add value to the primary products, and as a "*self-sufficient group*" to generate profits in the secondary product market. This dual focus created long standing ambiguity about the unit's purpose and identity [SSC1]. The restructuring in 2008 of the Secondary Unit as a separate unit, maintaining its strong R&D focus and most of its personnel, augmented this ambiguity by formalizing the split between the unit's identity and that of the parent [SSC2].

The structure and strategy of the unit changed dramatically before the development of SecPrd2. Two factors largely explained these changes. First, the parent's declining performance in the primary market became evident prior to the development of SecPrd2 and intensified during subsequent years, leading to successive waves of streamlining and reorganisations within the company as a whole. Second, the appointment of a new leader in the Secondary Unit in 2010, towards the end of SecPrd1 development, was seen as the major driver for re-aligning the unit with the parent.

The new unit leader set out to realign the strategy with that of the Primary Unit [SSC3] by focusing on high-value added secondary products that would strengthen the differentiation of primary products in their market [SSC4 part 1]. This strategic change was accompanied by restructuring the unit activities by low and high value-added product lines, and by the slimming the product portfolio through abandoning many low value-

added products [SSC4 part 2]. A bigger change was the “*mental shift*” towards a new purpose that involved “*integration*” and “*collaboration*” with, and providing “*support*” to, the Primary Unit [SSC4 part 3]. The new leader redefined the role of the Secondary Unit as a service function supporting primary products, rather than as a separate and semi-autonomous business unit. This purposeful re-defining effort incentivised unit members to seek the parent’s acceptance for this new supportive role for the unit. SecPrd2 was an early manifestation of this new identity and was instrumental in supporting the unit’s new identity legitimisation efforts [SSC5].

While SecPrd2 development coincided with the beginning of these changes, by the time SecPrd3 was initiated the unit had changed both strategically and structurally away from an R&D focused organisation that developed and executed most of its products in house (at the time of SecPrd1 and SecPrd2), to a product management organisation that both served and relied on the Primary Unit for most of its product innovations [SSC6]. By the end of the study, the unit fulfilled a service function focused on conceptualising products exclusively to support primary products. The original identity dilemma of whether the unit was a service function or a self-sufficient group was resolved.

Degree of internal control over resources for innovation

A second trigger involved changes in the degree of control of the unit over resources for innovation. The degree of control depended both on the availability of resources for product innovation, and on the relationship between primary and secondary products. The ability of the unit to resource product innovation independently of the Primary Unit changed dramatically during the study. With around 250 staff at the time of SecPrd1 and 200 at the time of SecPrd2, the unit conducted all product development and execution in house. There was no requirement to seek Primary Unit’s support for product development, and thus no strong incentives to engage in legitimacy-seeking behaviour

[CRI1]. Value-added products were also generally prioritized and resourced within the unit [CRI2]. Support from Primary Unit was required only to align product development across the two units by, for example, including relevant technologies or features needed to support secondary product functionality in the primary product. Under conditions of resource independence, it was the nature of the relationship between the secondary and primary products which triggered legitimacy-seeking behaviour in the unit. Where such alignments were not significant, as in the case of SecPrd1, which relied on interface technology already embedded in the primary product, there was no incentive to seek legitimacy from the Primary Unit [CRI3]. In contrast, SecPrd2 was developed in parallel with a new primary product and required the introduction of a new technology in the primary product. SecPrd2 development thus required the support of the Primary Unit to implement these changes [CRI4].

At the time of SecPrd3 development the resource context changed dramatically. Not only did the unit identity change to be a service function, but the unit had around 30 R&D personnel, and was entirely dependent on the Primary Unit [CRI5]. Legitimacy-seeking behaviour was necessary to convince the Primary Unit to divert resources from their own products to develop the secondary product.

Change in market context

The third trigger was the perceived change in the primary product market context, which affected both the strategic relationship between primary and secondary products, and the discourse surrounding the role of secondary products in the market. Prior to SecPrd1 development, the high-end of the primary product market had expanded gradually, albeit remaining smaller than the low-end segment. This expansion generated an increase in the secondary product market. Higher sales of secondary products were also generating higher demand for additional features in primary products. In 2007, market reports were

predicting a steady increase in the secondary product market over the next five years. Primary products producers were keen to create synergies between their secondary and primary products and to use the growth in the secondary market to support higher sales in the high-end primary market. This symbiotic relationship between secondary and primary products was just emerging during SecPrd1 development.

However, the development of SecPrd1 was driven primarily by expectations for future growth in the secondary product market, rather than by any expectations of either exploiting these emerging synergies between secondary and primary product or generating revenues from SecPrd1 sales [MC1]. SecPrd1 was positioned as a standalone product in the secondary market, not as a value-adding product for the primary product. As such, there was no incentive for the unit to seek Primary Unit's support for SecPrd1. By the time of SecPrd2 development, the market for high value-added secondary products that supported primary products [MC2] was already well-established and growing. Increasing customer expectations for more and better complementary offerings [MC3] also led to a significant change in discourse within the market as a whole towards secondary products as value-enhancing innovations both from a strategic perspective, i.e. supporting differentiation, and from a normative perspective, i.e. conforming to the market expectations for "*awesome*" secondary products to enhance the primary products. This discourse contrasted significantly with the previous market assessment of secondary products as low value, essential and functional complementary products. However, the Primary Unit, which had enjoyed a strong position in the primary market, was slow in adapting to these changes maintaining an undistinguished secondary product offering, and was losing market share [MC4].

By the time of SecPrd3 development, primary products were largely commoditised, and the source of value creation was shifting towards add-on services and secondary products.

The utility of secondary products was now being seen as linked not to their ability to differentiate the primary product, but to their disruptive potential [MC5]. SecPrd1 was thus developed at the outset of significant shifts in the market which were just beginning to be addressed by the market actors. In contrast, SecPrd2 and SecPrd3 were developed during widely recognised dramatic shifts in the market where secondary products were becoming increasingly critical to value creation.

Legitimacy-seeking behaviours in product innovation

In response to the triggers outlined above, the analysis identified three mechanisms that innovator actors used purposefully to legitimise their innovation. These mechanisms are discussed below in relation to the type of legitimacy (pragmatic, moral and cognitive) and legitimacy strategies (conforming, selection and manipulation) outlined by Suchman (1995). As discussed earlier, at the time of SecPrd2, although the unit lacked legitimacy, contextual triggers were absent. Legitimacy-seeking behaviour occurred only for SecPrd2 and SecPrd3 when contextual triggers were present.

Lobbying

The development of SecPrd2 and SecPrd3 was characterised by extensive lobbying activities to influence the assessment of secondary products by corporate product sponsors. Lobbying included technical demonstrations and product presentations, and regular communication. Lobbying was associated with a manipulation strategy to attain pragmatic legitimacy (SecPrd2 and SecPrd3), and with conforming strategy to attain moral legitimacy (SecPrd2).

Technical demonstrations and/or product presentation were used by innovation actors as a product advertising mechanism to develop a compelling story around the product early in development. For example, technical demonstrations were used to emphasise, and sometimes exaggerate, the value-added features of SecPrd2, including usability [LB1]

and multi-functionality [LB2], while SecPrd3 product presentations emphasised the complementary nature of SecPrd3 vis-à-vis the primary product [LB3]. For both products, respondents referred to these lobbying efforts as “*creating an aspirational story*” to “*sell*” the product internally through portraying secondary products as useful to the parent because of their potential to support the primary product strategy [M-LB1][M-LB2][M-LB3]. Product advertising was targeted to change stakeholders’ perceptions that the innovation served their interests by supporting differentiation in primary products. It was thus associated with manipulation strategy to gain pragmatic legitimacy.

For SecPrd2, product advertising was also used to emphasise conformity with the corporate expectations for the “*right kind*” of product. Informants discussed how they used presentations and technical demos to construct a story emphasising product characteristics such as “*cool*” and “*great*”, and having a “*huge*” impact on the market [C-LB1], and to demonstrate alignment with product expectations [C-LB2]. Thus lobbying by product advertising was also associated with conforming strategies to gain moral legitimacy.

Lobbying also involved informal regular communication between the two units to reinforce product advertising. For SecPrd2, where development was done within the unit and in parallel with the development of a new primary product, regular communication between the units’ product teams was required throughout development to align customer requirements and product specifications, and to address technical integration issues, and during launch between the two products’ marketing and sales teams. These regular communications at operational levels went beyond the normal interaction required by the systemic nature of SecPrd2 development, and served to maintain the momentum and reinforce product advertising activities [LB4].

As SecPrd3 was developed mostly with resources from the Primary Unit, regular communication between Primary and Secondary Units was required at the senior management level at the outset of product development to gain Primary Unit commitment to invest in the product, and later to ensure the allocation of resources to continue product development. As with SecPrd2, communication reinforced other lobbying efforts, mostly to lay out the ground for formal product presentations [LB5].

Relationship building

Relationship building involved two activities: informal networking throughout the parent to create a critical mass of supporters of the product, and external collaborations to leverage external partners' legitimacy. Relationship building was associated with both conforming (externally; SecPrd2) and selection (internally; SecPrd2 and SecPrd3) to gain moral legitimacy, and to a lesser extent with selection (internally) to achieve cognitive legitimacy (SecPrd2).

Two of the SecPrd2 category products were co-developed and co-branded with external partners. This collaboration was instigated by the new leader appointed prior to SecPrd2 development, and was unique within the company. All respondents emphasised that, while the unit had the technical competencies to develop these products in-house, it lacked a credible consumer brand outside the primary product market. The association with a strong consumer brand was thus the main driver for these external collaborations which sought to leverage the partners' image [RB1] to align SecPrd2 with the normative expectations for the "*right kind of product*" [C-RB1], i.e. "*inspirational*" having "*non-technology feel*", with a "*cool*" and "*best brand*" image, and high market visibility. External relationship-building thus allowed the unit to gain moral legitimacy by signalling conformity with existing product expectation.

Internally, both SecPrd2 and SecPrd3 involved extensive networking activities to identify and select audiences that were receptive to the norms and values embedded in the products, and thus willing to support the innovation. While targeting receptive audiences was important for SecPrd2 to garner company wide support for making changes in the primary product [RB2], it was essential for SecPrd3 whose development depended on resources from the Primary Unit [RB3]. Networking was used purposefully to selectively mobilise internal actors to support the products and push for its completion [S-RB1][S-RB2]. Internal networking was thus part of selecting strategies to target receptive audiences by signalling alignment with their normative expectations (moral legitimacy). To a lesser extent, internal networking was also used by SecPrd2 actors to demonstrate compliance with the prevalent model of product development within the parent. The strategic and operational integration of SecPrd2 with the primary product required close collaboration between the secondary and primary development teams [RB4]. This collaboration was purposefully managed by the Secondary Unit management to support the re-positioning of the unit as closely aligned with and part of the parent [C-RB2]. Close collaboration with the Primary Unit during NPD was desired by the parent's executive management, conforming to their assumptions of a company business model built around the Primary Unit. Internal relationship building thus allowed the Secondary Unit to gain cognitive legitimacy by conforming to the corporate prevalent organisational model.

Seeking feedback

Seeking feedback involved conducting ad-hoc internal testing of products and formal external market and/or customer studies. Seeking feedback was associated with selection for moral legitimacy (internal feedback; SecPrd2) and conforming for pragmatic legitimacy (external feedback; SecPrd2 and SecPrd3).

Internal ad-hoc product testing was used extensively during SecPrd2 and targeted two types of internal audiences: engineers as “professional colleagues”, and decision makers as “business stakeholders”. In both cases feedback involved personal testing of early working prototypes and served to identify whether the product idea conformed to professional standards for product innovation and performance within the professional engineering community [SF1], or with the expected product criteria within the company. These criteria included ease of advertising and selling for the marketing community, and ease of use and functionality for the business owners of related primary product [SF2]. The ad-hoc internal testing allowed innovator actors to identify the kind of corporate sponsors that would see the innovation as desirable based on its alignment with their normative expectations of what a company product should be [S-SF1].

External feedback was used to demonstrate the utility of both SecPrd2 and SecPrd3 to the parent, either because the product added value to the primary product (SecPrd2) [SF3], or because it represented an innovation expected by the market (SecPrd3) [SF4]. External feedback included customer and market studies, and feedback from retailers. External feedback was targeted for both products to demonstrate to organisational members the utility of the innovation through alignment with the parent’s strategic interests [C-SF1][C-SF2].

Trade-offs and Interdependencies across mechanisms

The deployment of legitimacy-seeking mechanisms was characterised by trade-offs between different legitimacy outcomes, and interdependencies between different legitimacy mechanisms and strategies to reinforce particular legitimacy outcomes. **Trade-offs** involve actors deploying a particular legitimacy mechanism as part of a particular legitimacy strategy to gain one type of legitimacy at the expense of other type, e.g. engaging in relationship building as part of conforming to gain moral legitimacy at

the expense of cognitive legitimacy. Two trade-offs are identified here: between prioritising pragmatic legitimacy on the one hand, versus moral (SecPrd2) and cognitive (SecPrd3) legitimacy on the other; and between prioritising moral legitimacy at the expense of cognitive legitimacy (SecPrd2).

First, manipulation in the form of lobbying through product advertising served to convince the corporate audiences of the strategic value of both SecPrd2 and SecPrd3 by prioritising pragmatic legitimacy over other forms of legitimacy. For example, SecPrd2 presentations emphasised end-user value-added product attributes such as ease of use, which supported the differentiation story while downplaying features that did not match the norms for the “*right kind*” of environmentally sustainable product prevalent within the company, such as lower energy efficiency [TO1]. Similarly, SecPrd3 presentations emphasised the complementary nature of SecPrd3, which served the parent’s strategic interests, but refrained from discussing the long term disruptive effect that SecPrd3 would have on the company’s prevalent business model [TO2]. In both cases, innovator actors consciously made a trade-off between seeking pragmatic legitimacy through changing internal judgments of secondary product value while downplaying other forms of legitimacy, such as moral legitimacy (SecPrd2), and cognitive legitimacy (SecPrd3).

Second, in the case of SecPrd2, external relationship building was deployed to conform to the expected standards for product innovation within the market. In doing so, however, the unit departed quite significantly from the real practices, knowledge and assumptions that underpinned product development in the company. External collaboration during product development was considered appropriate only to allow access to technological or manufacturing capabilities that the company lacked, and typically products were developed exclusively under the company brand. The Secondary Unit’s decision to collaborate to co-brand SecPrd2 therefore violated the existing organisational model and

faced significant resistance throughout the company [TO3]. External relationship building thus involved a trade-off between conforming to the normative expectations of what was “*the right kind*” of product versus departing from the taken for granted procedures and assumptions for in-house product development.

Interdependencies manifest when one legitimacy mechanism is deployed to reinforce another mechanism with the aim to gain a particular type of legitimacy, for example seeking feedback (to signal conformity) is used to reinforce lobbying (deployed as part of manipulation strategy) to gain pragmatic legitimacy. Two types of interdependencies were identified in this case, to reinforce the same legitimacy outcome (SecPrd2 and 3) and to reinforce a different legitimacy outcome (SecPrd3).

First, during both SecPrd2 and SecPrd3, gathering feedback from external stakeholders to demonstrate that the product added value to the primary offering was subsequently used to support the unit’s lobbying efforts to manipulate the perceptions of internal stakeholders about the pragmatic legitimacy of its product innovation. Successful manipulation of internal stakeholders therefore depended in part on whether the product conformed to the established interests of external audiences [ID1][ID2].

Second, internal networking with selective audiences to support SecPrd3 based on the product alignment with their normative expectations of “*the right kind of product*” and was instrumental in preparing the ground for strategic lobbying. The product team leveraged this selective internal support to lobby senior management within the company in order to convince them of the benefits that SecPrd3 brings to the company [ID3].

Discussions and findings

Institutional literature in general, and research on product innovation in particular, assumes that legitimacy-seeking behaviour emerges in response to legitimacy crises created by the radical nature of the innovation itself as it departs from existing

organisational norms and values and introduces high uncertainty (Dougherty and Heller, 1994; Kannan-Narasimhan, 2014; Takeishi, Aoshima and Karube, 2010). This study found that legitimacy crises prior to product innovation provided the background on which contextual triggers prompted innovation actors to respond by engaging in legitimacy-seeking behaviour. Three such contextual triggers were identified in this case: structural and strategic organisational changes, changes in the degree of control of resources for innovation, and changes in the market (RQ1). This research thus further develops institutional research on product innovation by demonstrating the role that context plays not only in shaping the types of legitimisation strategies deployed (Van Dijk et al., 2011) and their success (Vermeulen, Van den Bosch and Volberda, 2007), but also in triggering these strategies in the first place.

NPD research largely emphasises the need for strategic alignment between product innovation and firm strategy (Kester, Hultink and Griffin, 2014; Kahn et al., 2012). As expected, this study found that persuading internal audiences that the product fitted the firm's strategic interests through adding value was important in allowing innovator actors to acquire resources during product development. Such pragmatic legitimacy was, however, not sufficient. Seeking moral and cognitive legitimacy emerged as important strategies to gain corporate acceptance for the innovation. These findings highlight the importance of considering both the range of legitimacy outcomes that innovator actors rely on to resource their product innovation, and strategic, rational based approaches (RQ2).

Existing institutional research has broadly examined the high level strategies that innovator actors engage in to legitimise their product idea (Dougherty and Heller, 1994; Van Dijk et al., 2011). Building upon this research, this study found that legitimacy strategies manifested through a range of lower-level mechanisms that actors used

purposefully during product innovation to seek different kinds of legitimacy. The study identified three such mechanisms: lobbying, relationship building and seeking feedback, and unearthed a number of complex ways in which these mechanisms and strategies intertwined to achieve their intended outcome (see Figure 3).

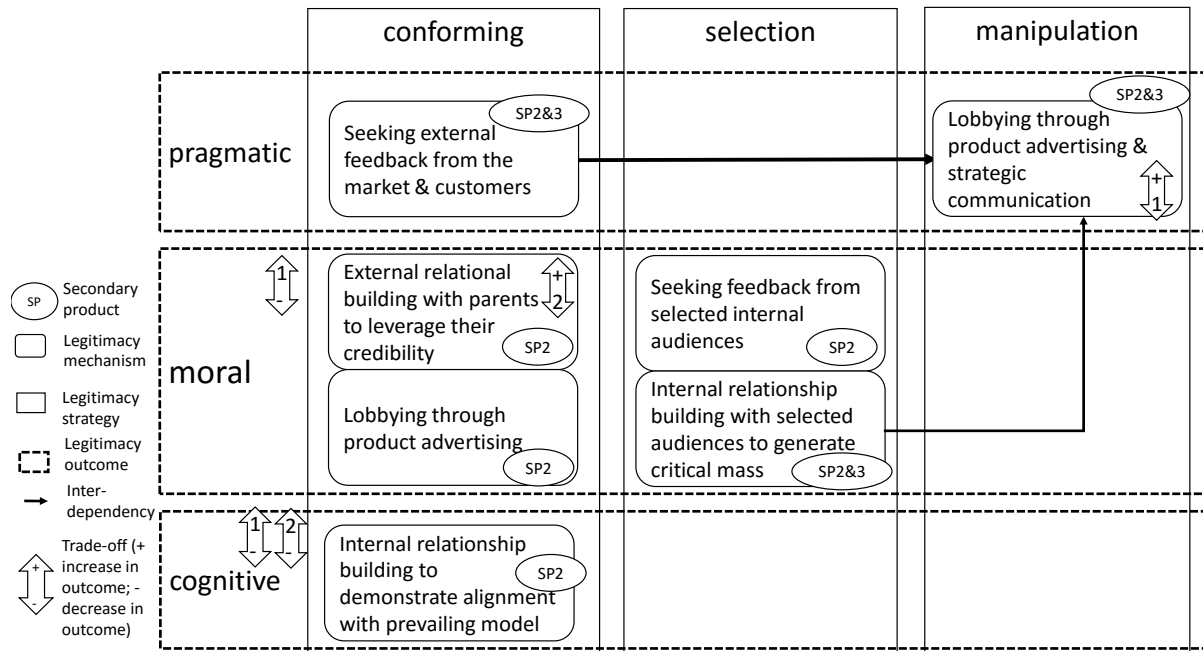


Figure 3: Legitimacy mechanisms, strategies and outcomes

Further, the analysis shows that legitimacy-seeking behaviour involved a combination of mechanisms and strategies to achieve different legitimacies outcomes. The effort was, however, not equally distributed across all three types of legitimacy outcomes (horizontal rows in Figure 3). For example the most complex combination was employed to seek moral legitimacy and involved all three types of mechanisms and two legitimacy strategies. In contrast, cognitive legitimacy was sought only by demonstrating conformance to the existing prevalent cultural model through internal relationship building. These findings do not support Floren and Fishammar's (2012) recommendations that during the fuzzy front end of product innovation, strategic alignment activities should take priority over legitimization efforts to gain commitment for the innovation idea. In contrast, this study found that both moral and pragmatic legitimacy

were strongly sought by the innovator actor. The reduced effort that the actor dedicated to enhancing cognitive legitimacy vis-a-vis moral legitimacy was in line with institutional research findings that suggest that cognitive legitimacy is the most difficult legitimacy to influence by strategic actions (Suchman, 1995). Conforming was also found to be by far the most extensively pursued strategy, followed by selection and manipulation (vertical columns in Figure 3). This finding reinforces Van Dijk et al. (2011) findings that in a homogenous institutional environment, which the unit studied here seemed to be, conforming is more likely to be deployed.

This study also found that legitimacy mechanisms, strategies and outcomes intertwined in complex ways during product innovation, thus exposing legitimacy-seeking behaviour as a much more complex phenomenon than the high-level legitimacy strategies portrayed in existing research (e.g. Dougherty and Heller, 1994). For example lobbying was used both to conform and to manipulate in order to gain pragmatic legitimacy, while conforming involved both lobbying and relationship building to seek both pragmatic and moral legitimacy (cells in Figure 3). The result of this intertwining was a range of patterns that characterised legitimacy-seeking behaviour and included trade-offs (\updownarrow) and interdependencies (\rightarrow) between mechanisms and strategies to pursue different legitimacy outcomes. Two trade-offs were identified: between moral and cognitive legitimacy during external relationship building; and between pragmatic on one side and moral and cognitive legitimacy on the other during lobbying. The trade-offs for the innovator actor studied here prioritised pragmatic over both moral and cognitive legitimacy, and moral over cognitive. These findings could indicate that innovator actors develop a hierarchy of legitimacy outcomes where they prioritise some outcomes over others.

This study also found that interdependencies existed between different legitimacy-seeking strategies. The findings identified two kinds of interdependencies, both of which

were used to reinforce pragmatic legitimacy. One involved selection strategy through gathering feedback used to reinforce manipulation strategy through lobbying. The second involved selection strategy by networking to gain moral legitimacy deployed to reinforce pragmatic legitimacy by supporting lobbying efforts to signal conformity. These findings indicate that during product innovation, actors engaged in a carefully choreographed dance of conforming to, selection and manipulation of internal audiences by lobbying, relationship building and seeking feedback to gain different kinds of internal legitimacy. (RQ3)

Finally, this study also included a time dimension as legitimacy-seeking behaviour was studied as it evolved over time in order to capture the contextual changes that shaped the actions of the innovation unit. At the beginning of SecPrd1, superficial structural changes and emergent, but still largely unacknowledged market changes did not provide sufficient incentive for the innovator actor to engage in legitimacy-seeking behaviour, despite the lack of legitimacy status that characterised the unit. As such, no legitimacy mechanisms were observed during SecPrd1. Nevertheless, SecPrd1 improved the image of the unit within the parent, adding somewhat to the moral legitimacy of the actor. Against the backdrop of continued legitimacy crises, major structural and strategic changes and the increased acknowledgment of dramatic shifts in the market incentivised the unit to engage in legitimacy-seeking behaviour during SecPrd2 development. This behaviour involved conforming through lobbying, internal and external relationship building and seeking feedback; selecting through targeting internal relational networking and seeking feedback; and manipulation through lobbying. This behaviour led to significant improvements in all forms of legitimacy: pragmatic, moral and cognitive. As a result, at the outset of SecPrd3 development, the legitimacy crisis experienced during the previous two products was largely resolved. Nevertheless, ongoing changes both within the unit

and in the market, as well as drastic changes in the unit's control over resources for innovation incentivised innovator actors to continue to seek legitimacy. Legitimacy-seeking behaviour at this stage involved conforming through seeking feedback; selection through internal relationship building; and manipulation through lobbying. These efforts result in a further improvement in the unit's pragmatic legitimacy at the end of SecPrd3 development. The analysis shows how, following product innovation, an innovator actor's legitimacy status changes, providing a different setting for contextual triggers to initiate another constellation of legitimacy strategies, mechanism and patterns. Over time, legitimacy-seeking behaviour can be reinforcing, as innovator actors rely on previously gained legitimacy to alter the legitimacy status and affect positive changes in the context.

Conclusions

Contributions to theory

At theoretical level this study has developed a framework of legitimacy-seeking behaviour in product innovation that offers a complementary view to the rational choice perspective (e.g. Kahn et al., 2012) to examine the actions of product innovator actors in established organisations. Building upon existing institutional research on product innovation, this study argues that legitimacy-seeking behaviour to resource product innovation is based on institutional dynamics between the innovator actor and corporate sponsors, rather than (solely) on strategic alignment rationales. The framework developed here extends institutional research on product innovation in at least two ways.

First, the framework further elucidate the role that context plays in shaping legitimacy-seeking behaviour in product innovation. Existing research focuses on the constraints that the institutional context places on actors' ability to deploy legitimacy strategies for radical innovation (Van Dijk et al., 2011) and on the success to support incremental innovation (Vermeulen, Van den Bosch and Volberda, 2007). Instead, the framework developed here

examines the organisational and market context in which an innovator actor is embedded and finds that the context plays a critical role in triggering legitimacy-seeking behaviour in the first place. While institutional literature emphasises legitimacy crises as triggers for legitimacy-seeking behaviour (e.g. Suchman, 1995), the findings from this study show that legitimacy crises serve as the backdrop against which a range of contextual factors act to instigate legitimacy-seeking behaviour. The influence of three types of contextual triggers is identified and explained: structural and strategic changes within the innovator actor, changes in the degree of resource dependency, and changes in the market.

Second, the framework allows a granular analysis of legitimacy-seeking behaviour beyond the high-level legitimacy strategies and monolithic legitimacy outcome concepts that characterise current research on product innovation (Dougherty and Heller, 1994; Van Dijk et al., 2011). The findings identify three types of legitimacy-seeking mechanisms (lobbying, relationship building and seeking feedback) that are deployed both simultaneously and sequentially. This study thus adds to the range of legitimacy strategies (conformity, selection and manipulation) and types of legitimacy outcomes (pragmatic, moral and cognitive) conceptualised in existing research (Suchman, 1995). Complex patterns of trade-offs and interdependencies between strategies, mechanisms and outcomes characterise legitimacy-seeking behaviour and explain how innovator actors access corporate resources to advance their product idea in established organisations.

The study also begins to consider the evolution of legitimacy-seeking behaviour over time. A time perspective is largely missing in institutional research on product innovation, with most research taking a static view and using the product as the unit of analysis. This study instead takes a dynamic view and examine the changes in context, legitimacy-seeking behaviour and outcomes over seven years. This time perspective allows the

analysis to identify the links between different legitimacy behaviours and legitimacy status across product innovation cycles as gains in legitimacy following one product development alter the context for the next. More research is required to elucidate the nature of these links across time.

Managerial implications

For product innovation practice, the study offers a better understanding of how to gather resources and support for product innovation. Product managers exist in a world in which organisational performance is important, and NPD best practices are devised and promoted as ways to maximise such performance. But this world is also inhabited by intra-organisational politics, compromises and negotiations, expectations of what organisations should do and what products should look like, and embedded cultural models of what the organisation should represent. Gathering support for product ideas is thus contingent not only on an actors' ability to demonstrate the utility of a product, but also on their ability to demonstrate alignment with the normative expectations and the prevalent cultural models within their organisation. Moreover, conformity is only one of many approaches to legitimise a product idea. Actors have at their disposal an array of strategies to choose from that can be implemented through a range of mechanisms targeting different forms of legitimacy. The framework developed here can guide product managers in choosing from a wide range of option to devise more effective efforts to promote their product innovation. Combining different mechanisms as part of varied strategies, and targeting multiple legitimacies is likely to be more efficient than focusing solely on conforming to prove product utility as recommended by best practice studies. Also, the framework developed here sensitises innovator actors to the trade-offs and interdependencies involved in legitimacy-seeking efforts, so that combinations of

mechanisms and strategies can be used strategically to target particular legitimacy outcomes.

Limitations and future research

A common critique of case study research is the lack of generalisability. The purpose of case studies is, however, never to develop generalizable findings in the positivistic sense, but rather to achieve in-depth understanding of a particular phenomenon. This in-depth understanding is obtained by building a thick description of the case so that it is possible to compare the elements of the study, and the theory and concepts generated, with other situations (Schofield, 2002).

This research has also a number of limitations. First, only three instances of product innovation over seven years within a single organisation are examined here. While this approach allowed the study to gain a thick description of the case and to explore in-depth the interaction between contextual triggers and legitimacy-seeking behaviour as it unfolded over time, it covered only one organisational setting: a marginal unit in a large established organisation operating in a fast-changing market. Future research could expand the framework to other settings, such as primary units, or actors with different legitimacy status. Further efforts to expand the framework through a quantitative study to test the presence of the mechanisms and the prevalence of the patterns identified here would also add significant value to this research. Second, the study has only begun to explore the evolution of legitimacy-seeking behaviour over time. The research design allowed the study to track the changes in contextual factors to examine their role in triggering in legitimacy-seeking behaviour for the innovator actor. There is opportunity here for further research to examine the role of context in shaping the patterns of legitimacy-seeking behaviour over time: which strategies and mechanisms are more

likely to be employed under which contexts, with what likely outcomes, and how do these behaviours develop over time?

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Table 2. Themes with supportive quotes

	Illustrative quotes
LEGITIMACY STATUS	
Pragmatic legitimacy [PL1-9]	<p>Perceived strategic value of secondary product & unit (exchange legitimacy)</p> <ul style="list-style-type: none"> • SecPrd1 <i>“we were [making] commodity products where the value added to [the company’s] overall business was quite limited [...] nobody [from the parent organisation] really frankly was interested [in our products] and, I think it was fair to say, there was no connection between being successful in [the secondary unit] to help [the company] succeed”.</i> (Stage2, sales director) [PL1] <i>“if we wanted to make money it was better to invest in [another product category] rather than in [SecPrd1]”.</i> (Stage3, business owner) [PL2] • SecPrd2 <i>“[the product manager for the primary product] was super excited of [SecPrd2]. So he kind of saw that this is actually the main differentiator that he is able to bring into his [primary product]”.</i> (Stage 2, product manager) [PL3] <i>“we are [now] kind of valued, respected inside the company. And people are interested of us and they see that we are super important and bring value”.</i> (Stage 2, product manager) [PL4] <i>“there is not push from higher level top management that now you need to do this kind of accessories.”</i> (Stage 2, innovation senior manager) [PL5] <p>Participation in strategic decision making within the parent (influence legitimacy)</p> <ul style="list-style-type: none"> • SecPrd3 <i>“this [product] had the potential to disrupt ... the market of the main product actually. It was not disrupting the complementary product. It was and it is perceived still as it had possibilities to disrupt the whole consumer behaviour.”</i> (Stage 3, business owner) [PL6] <i>“it’s a huge mental shift for that Board to start talking about: Actually it looks like our next revenue stream is coming from this [secondary unit] product category, rather than from our main business. That shift, from what I see now, it’s coming.”</i> (Stage 3, business owner) [PL7] <i>“[The head of secondary unit] was shocked that he remained in the team and said: this is a unit of which until a few years ago everyone was questioning whether we kill or not because it does not bring us any money. And now, during this major re-organisation, when so many people lost their job, the fact that he, from this minor unit, is one of the few that remained [in the leadership team] is a very big signal for all the organisation of how relevant [secondary products] are.”</i> (Stage 3, business owner) [PL8] <i>“the mindset had changed [...] because they were like: “What are the white spaces?” And they didn’t identify only this, like, specifically, that my product category [SecPrd3 category]: “Ok, it’s not that specific product category. Tell us what else, because we screwed up with that one. So tell us what else.”</i> (Stage 3, business owner) [PL9]
Moral legitimacy [ML1-6]	<p>Internal and external image of the secondary product (consequential legitimacy)</p> <ul style="list-style-type: none"> • SecPrd1&2 <i>“the business was really about selling batteries in India [...]essentially we were very standard, there was no particular innovation in those products. In fact, we were [doing], how to say, uninspirational commodity products”.</i> (Stage 2, sales director) [ML1] <p>Internal and external visibility of the secondary product (consequential legitimacy)</p> <ul style="list-style-type: none"> • SecPrd1&2 <i>“the sales and marketing for [the parent] products is a big obstacle, so the publicity that our products [has] is not that high and the marketing organisation of [the parent] is primarily developed to sell [primary products].”</i> (Stage 1, quality director) [ML2] • SecPrd2 <i>“the visibility of our product launches is completely different nowadays. So even the feedback we get from the press even, or the bloggers ... there was hardly any back in the days. But nowadays if there is a launch, it is interesting and there is going to be a great fuss around it. ...”.</i> [ML6 part 1] (Stage 2, business owner 2) <p>Reputation / profile of the unit within the parent (structural legitimacy)</p>

	<ul style="list-style-type: none"> • SecPrd1&2 “like the waste reprocessing plant we used to be, like here is the final destination before you go out of the building. Which we used to be. Like if you get fired, then the second worst is then [this business unit].” (Stage 2, business owner 1) [ML3] • SecPrd1 “it was a proof point for the unit that we actually can do something beautiful. It did not create too much outside buzz, but it was one of the first products that was well received by the mother unit that: yes, you have done something beautiful, something else than [low value products] that we had enough of that you were doing 100 of those. What it did was to change the perception [in the primary unit] and it paved the way for [SecPrd2].” (Stage 3, business owner) [ML4] “I think that with the [one version of SecPrd2] it wasn’t difficult because the [SecPrd1] was already there, people liked that staff” (Stage 2, business owner 1) [ML5] • SecPrd2 “... So I believe that those are one factor that kind of makes us maybe feel a bit more proud that we are doing what we are doing. And also that we are kind of valued, respected inside the company”. (Stage 2, business owner 2) [ML6 part 2]
Cognitive legitimacy [CL1-7]	<p>Model of organising NPD in the unit vis-à-vis the parent (comprehensibility)</p> <ul style="list-style-type: none"> • SecPrd1 “we are quite independent from other parts of [the company] so we can and are allowed to define our own processes, as we like. So the current process is based of course on [the company’s] processes because we need to speak the same language [...] we are using the same milestones as [the parent] but a bit different because typically the development cycle of our product is much shorter [...] We don’t have that luxury to have for every task our own expert, and therefore we had to tailor this process so that we can manage things in sensible ways ” (Stage 1, quality director) [CL1] “it was not possible to integrate [Secondary Unit] within [Primary Unit] because they have completely different processes. They have completely different lines for manufacturing and software, [so] it was acknowledged that the current structure does not work.” (Stage 1, R&D manager) [CL2] <p>Unit identity vis-à-vis the parent (comprehensibility)</p> <ul style="list-style-type: none"> • SecPrd1 “hopefully we will be left alone to do our job” (Stage 2, technology&innovation senior manager) [CL3] “we had good reasons to stay separate. Like, yeah, let’s have our own sales force because if we don’t have it, nobody is going to sell this stuff. And then let’s have our own marketing force, because if we don’t have it, nobody is going to market the stuff.” (Stage 2, business owner SP1) (Stage2, business owner 1) [CL4] • SecPrd2 “[Secondary Unit] was also having kind of strong wish to do something that we didn’t do earlier. Our wish was to do it together as a one company. Make kind of an experience that it is not a separate accessory, separate [primary product], but it’s one story, one experience.” (Stage 2, business owner 2) [CL5] “we used to often talk about [secondary unit] strategy because we used to be this kind of this independent and not really relevant for the rest the company, so we’re talking about how <u>we</u>’ll grow. But in fact the point is that now [after the launch of SecPrd2], even when I’m discussing [the unit strategy], I’m actually talking about [secondary unit] <u>as part of</u> [company] strategy. (Stage 2, sales director) [CL6]
TRIGGERS OF LEGITIMACY SEEKING BEHAVIOUR	
Structural and strategic changes [SSC1-6]	<p>Changes in structure, cleaning product portfolio and re-positioning the unit</p> <ul style="list-style-type: none"> • SecPrd1 “within [the parent], [the secondary unit] has this kind of dilemmas, that you know is it the service function that provide devices like accessories for our [primary product]? On the other hand is it a self-sufficient group where they try to make profit and therefore make its own portfolios and design their own product.” (Stage 1, R&D senior manager) [SSC1] “of course, people are asking questions about what the future is. I don’t think people are asking questions about ‘do they have a job?’ I don’t think that’s the question. I think the question is ‘what will their job be?’.” (Stage 1, R&D senior manager) [SSC2] • SecPrd2

	<p><i>“the first change we did [was] on product strategies that yes, we can do cool, colourful, end to end, integrated, aspirational [products] [...] so creating products which then together with the [primary product] are more than the sum of the part [...] And these were not trivial choices. Because it was contrary to everything that had been done before. ...”</i> (Stage 2, business owner 1) [SSC4 part 1]</p> <p><i>“... [leading to] huge clean up in products, reduction in staff, cleaning up of processes”, “setting up the high value organisation to give more focus on the high end stuff”, “re-establishing product teams”</i> (Stage 2, business owner 1) [SSC4 part 2]</p> <ul style="list-style-type: none"> • SecPrd1&2&3 <p><i>“when we were doing [SecPrd2] we started to have a bit less resources in R&D but we still had a lot. What [the head of the unit] changed is that he said: this unit does not need R&D, it needs product managers and lobbying and they can work with the R&D from the [primary unit] and the engineers there can help us, that we only with R&D did not manage to do anything. So the unit was marginal as long as it had 200 people in R&D and practically it was not doing anything. So he reduced the R&D and when he left [during SecPrd3 early stages] we had 20 engineers.”</i> (Stage 3, business owner) [SSC6]</p> <p>Strategic re-alignment with the parent company</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“we were keen [to] support the [company’s] value proposition that what they want to be, so meaning that when a new [primary product] is launched on the high end, that we wanted to be part of it, we wanted to kind of make it even better with our accessories.”</i> (Stage 2, business owner 1) [SSC3]</p> <p><i>“... a conscious choice to collaborate [with the primary unit]”. (Stage 2) [SSC4 part 3]</i></p> <p><i>“without [secondary unit] team new direction and willingness to work more together, collaborate more and then aim to support exactly those [primary products’] key selling points and key value propositions and all that, it would have been so much harder to get to this stage where we are [launching SecPrd2].”</i> (Stage 2, business owner 2) [SSC5]</p>
Change in the degree of control over resources for innovation [CRI1-5]	<p>Availability of R&D resources internally for product execution</p> <ul style="list-style-type: none"> • SecPrd1,2&3 <p><i>“We in 2010 were still able to do [products] with our own resources without having to go [to Primary Unit] and lobby for them. So we were independent from the engineering point of view. So we could have done them with the people we had internally.”</i> (Stage 3, business owner) [CRI1]</p> <ul style="list-style-type: none"> • SecPrd1 <p><i>“The approach [win Secondary Unit] is to maximise the inbox [products], but we need to do outbox [products] as well. [It is only] for the outbox products, when we start we need to negotiate the priorities for the money and resources.”</i> (Stage 1, R&D director) [CRI2]</p> <p>The operation & strategic relationship between primary & secondary products</p> <ul style="list-style-type: none"> • SecPrd1 <p><i>“[for SecPrd1] they did not need to change anything in the [primary product]”. (Stage 3, business owner) [CRI3]</i></p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“when we were doing [SecPrd2] we still had R&D. We needed the link with the [Primary Product] because of the technology that had to be implemented on the other side, not because we did not have the people to make it.”</i> (Stage 3, business owner) [CRI4]</p> <ul style="list-style-type: none"> • SecPrd3 <p><i>“if the organisational context would have been the same as in 2010, I could have done my product without having to go outside and ask for resources. I could have done it and put it on the table and say: look what I have done to you and this will change your industry [...] In 2013 I did not have any engineers left, practically. So my only chance of starting this [product] category was to go and say: you need this category, give me resources or else I cannot do anything.”</i> (Stage 3, business owner) [CRI5]</p>
Change in market context [MC1-5]	<p>Changes in the market demand & competition</p> <ul style="list-style-type: none"> • SecPrd1 <p><i>“the market for [SecPrd1] when we started to do it was very small. So it just begun to exist as a market [...] the market increased in the meantime and now there are lots of [SecPrd1 type products]. But it was not a matter of: there is a consumer need. It was more a matter of: the technology [embedded in SecPrd1] is quite advanced and we can do it at prices that are ok for the consumer. But if we want to make money it is better to invest in [another product category]”. (Stage 3, business owner) [MC1]</i></p>

	<ul style="list-style-type: none"> • SecPrd2 <p><i>“[the secondary unit] was very much focusing in 2010 still on, I will say traditional [complementary products]. And the majority of money were coming from [two categories of low value high value complementary products]. Both markets started to go downs. And then it was obvious we need to look, in order to keep our level of profitability and revenue, we need to look into new [secondary product] categories.” (Stage 2, technology&innovation senior manager) [MC2]</i></p> <p><i>“consumers are looking to get more out of their [primary product]. [...] the consumers have now learnt that there can be really cool accessories and they have often become hooked,[...] and now if you try to just sell the [primary product], I would claim that compared with five years ago, your [primary product] offering will look a lot poorer without something around it”. (Stage 2, marketing director) [MC3]</i></p> <p><i>“[competitor] has come to the market and enabled with their success a massive ecosystem of accessories that supported the whole [of competitor’s] story [...] there is now a problem in terms of the sort of experience in [our company] [...] Obviously they think that, [...] hey, that’s so much more that I can do with [competitor’s primary product] cause there’re all of these accessories available”. (Stage 2, sales director) [MC4]</i></p> <p>Emergence of a disruptive product category in the market</p> <ul style="list-style-type: none"> • SecPrd1&2&3 <p><i>“With [SecPrd2] [the problem] was: in order for us to make the product, you need to make changes in the [primary product]. And the cost will increase. And this other thing will increase. But it is important because it is a new innovation for the [primary product]. So the [primary product] will remain central. And you can promote it as an innovation for the [primary product]. When I went [for SecPrd3], I said: It is not an innovation for the [primary product]. The [primary product] will die because of these new products that appear.” (Stage 3, business owner) [MC5]</i></p>
LEGITIMACY MECHANISMS	
Lobbying [LB1-5]	<p>Product advertising based on technical demos and product presentations</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“when I had the demos I was able to convince them the usability it actually great” (Stage 2, product manager) [LB1]</i></p> <p><i>“we had the [SecPrd2 show how it could perform multiple functions at the same time]. So these were super strong demos so that it was quite easy to get people on board” (Stage 2, product manager) [LB2]</i></p> <ul style="list-style-type: none"> • SecPrd3 <p><i>“and trying to get this management, trying to get their support was actually essential but trying to get it in a way that: I’m helping you and what I’m doing will provide benefit you too. It’s not a threat. [I’ve done it] by presenting it as a complementary product to their main product”. (Stage 3, business owner) [LB3]</i></p> <p>Regular communication with key teams / stakeholders</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“then the communication, I had these regular focus [meetings] with the stakeholders around the company where I kind of then shared the latest what’s happening and they had a chance to kind of make questions, and if I didn’t know the answers I kind of find it out or then kind of said that ‘hey, this question you should contact this guy, he is able to help you’. So kind of selling and then keep people, stakeholders, up to date [with] what’s happening so that the excitement level kind of doesn’t decrease if you are able to kind of a put it high so you just maintain it high as possible. [...] and kind of a made sure that these guys won’t forget us.” (Stage 2, product manager) [LB4]</i></p> <ul style="list-style-type: none"> • SecPrd3 <p><i>“the head of Primary Unit] was the first one that was on board. You know, so she got before even I got there with the presentation on board. Of course she got some information, so [the head of Secondary Unit] was preparing her with what this is, this is why we want to do it, he was feeding her data constantly” (Stage 3, business owner) [LB5]</i></p>
Relational building [RB1-4]	<p>Involving legitimate external partners to leverage their legitimacy</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“for certain categories of products [our company] is not a brand that people think of, and we didn’t have the money to invest in building that brand in that category [...] and going with a brand [customers] already knew seem to be the way to go [...] [to] get their brands to leverage credibility of products in our channel.” (Stage 2, partnering director) [RB1]</i></p>

	<p>Internal informal networking to gather support and create critical mass</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“the key challenges was kind of finding the interfaces, making sure they pick up the phone, answer the email, staying on high enough on their priority list, avoid being the sort of behind the cut line that: Yeah, do we need [SecPrd2]? Hmm, it’s probably better to make [the primary product] half a mil thinner so let’s drop it back!”</i> And these kinds of discussions [were critical], like understand that “hey, this is going to kill your product this decision”, and being able to influence or turn that decision before it actually destroys the whole experience.” (Stage 2, business owner 1) [RB2]</p> <p><i>“I have never seen such ... intensity of the collaboration. So at the end it was just on bunch of engineering team working together and it was so enjoyable to see that [the secondary unit] R&D, and the [primary unit] R&D and the [SecPrd2] teams, and you name it, all kinds of [parent] R&D activities came together.”</i> (Stage 2, program manager) [RB4]</p> <ul style="list-style-type: none"> • SecPrd3 <p><i>“I got a couple of those people to actually think together with me and get them interested and motivated. And I think the best thing that came it was like, it was almost like a mouthful of fresh air for them. I got people saying the same, that: “yes, this is the <u>thing</u>. We actually kind of see it the same.””</i> (Stage 3, business owner) [RB3]</p>
Seeking feedback [SF1-4]	<p>Ad-hoc internal testing with organisational members</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“so these really <u>hard</u> hard core engineers in [the company] that were working a while here and in a way a bit sceptic about new things, but getting the feedback there that ‘despite what I imagined, it’s really easy to work, so I will use it and it works so there is something behind’ ...[S-SF1]”</i> (Stage 2, program manager) [SF1]</p> <p><i>“[marketing] struggled still because they didn’t tried [SecPrd2] [...] and one [primary unit] marketing person came to my desk and said: ‘Ah, this is it. I don’t like this. This is difficult to market’. And I have asked her: ‘Have you tried it yourself?’ ‘No, but I know, this is like [another complementary product] we used to have several years ago, so I don’t like it. It adds cost and I really don’t like it’. But after [...] she tried it herself, she said that: ‘yeah, I was wrong, this is really great thing.’”</i> (Stage 2, technology manager) [SF2]</p> <p>External feedback on product / concept from the market during development</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“so when <u>these</u> guys [from the Primary unit teams] started to do their [customer studies] and our kind of [SecPrd2] were embedded in their one, and suddenly it was evident that hey, actually [SecPrd2] is the most <u>valued</u> feature of these [primary products]”</i>. (Stage 2, product manager) [SF3]</p> <ul style="list-style-type: none"> • SecPrd3 <p><i>“And the feedback that we got from the first meeting with the [customer] was that we have the right approach. That what they have seen from the others is actually a technology show case. Not a mass market approach.”</i> (Stage 3, business owner) [SF4]</p>
LEGITIMACY STRATEGIES	
Conforming [C-LB1-2; C-RB1-2; C-SF1-2]	<p>Demonstrating product fit with existing expectations / interests / norms</p> <ul style="list-style-type: none"> • SecPrd2 <p><i>“and what [was of] help was to be clear about why we want it and why we need it. Put an extra effort there, and create an aspirational story that kind of hey, this is cool”</i> (Stage 2, business owner 1) [C-LB1]</p> <p><i>“every time I did the demos, the impact was pretty much the same: Hey, waw, this is cool, Let’s do it. But before seeing the demos, usually the expression was that: What the hell, basically, is this one?”</i> (Stage 2, product manager) [C-LB2]</p> <p><i>“there are different reasons for why we selected different companies. But [brand 2] of course taking the technology feel a little bit away, giving a little bit more life style element to it that gives a nice extra. The [brand 1 because it is] the best [product] brand”</i> (Stage 2, business owner 2) [C-RB1]</p> <p><i>“The blue pill would be that we kind of integrate fully, and collaborate. And that’s what’s we chose. [...] we said collaboration is the thing we wanna do, so we want to collaborate. The way to achieve marketing visibility is to make great products and to collaborate with marketing and the way to sell it is to collaborate with the Sales force, understand how they will sell our products, and the way to make great products is to collaborate with the [other business unit] product teams to add more value to the to the total product offer. So that</i></p>

	<p>was, I think kind of a mental shift that was, that was an important one” (Stage 2, business owner 1) [C-RB2]</p> <p>“we started to do consumers studies and the result from those was excellent. [...] So continuously we got these extremely positive signals that this is actually something, something great, and that users actually value. [...] [so] I had these great results from the user studies, so I was able to saw that the technology works, and then that this is something that actually consumers want and it is it going to swim. It makes things easier if you have those kinds of assets available when you are doing the internal selling work.” (Stage 2, product manager) [C-SF1]</p> <ul style="list-style-type: none"> • SecPrd3 <p>“the problem [was] why are we doing it? what is the value that it brings to the bigger unit? Why would anybody be interested in that? And it was because the market was confirming what I have said from the beginning and they [executive board] heard it, but they didn’t believe in it. But it did help that I was saying the same things for the last 6 months that this product will become essential to the main product. We will not be able to sell any more the main product without this kind of complementary product. And that it will change the market and it will change the main product, the way it is viewed in the end. So when the market started to confirm that, than we got in a rush basically” (Stage 3, business owner) [C-SF2]</p>
Selecting [S-RB1-2; S-SF1]	<p>Identify and selectively target receptive audiences</p> <ul style="list-style-type: none"> • SecPrd2 <p>“I think we almost killed it several times. And I think one of the factors has been that at the moment that it was almost killed there have been already enough people in different parts of the organisation starting to believing in it, there were people in Sales that started to believe in it, there were the development team [...] the [main technology office] was in from the beginning [...] but most importantly actually, it got the buy in then from the marketing and the strategy”. (Stage 2, innovation senior manager) [S-RB1]</p> <p>“[SF1]...So that was ‘hey, now <u>now</u> we are having something that we are getting the hard core engineers to get in to this new technology as well there’, so, they were of course, the big exam.” (Stage 2, program manager) [S-SF1]</p> <ul style="list-style-type: none"> • SecPrd3 <p>“I don’t think I’ve done lobbying. I think what I have done is getting people like, throughout the organisation, really, like Marketing, Sales, Forward Lab, Engineering, different people, you know people that didn’t necessarily had anything to do with that, but I started to have to do with it. And then it started to be a <u>mass</u> at some point.” (Stage 3, business owner) [S-RB2]</p>
Manipulation [M-LB1-3]	<p>Change audiences perceptions, expectations and/or assessment of the innovation</p> <ul style="list-style-type: none"> • SecPrd2 <p>“maybe the most important thing [of] all this kind of ‘creating the assets’ [activity] was to sell the idea inside the company. So there were several stakeholders inside the company that we needed to convince that actually this is something that we must do, and this is something that we are able to ... kind of a bring something new to the markets. [...] So [our technology officer] was able to make these excellent demos of the [SecPrd2]. And basically what I did, I get the samples and I went basically all around the company, kind of showing it, doing the demos: ‘hey: this is what we do, isn’t it great? This is superior’.”(Stage 2, product manager) [M-LB1]</p> <ul style="list-style-type: none"> • SecPrd3 <p>“[I didn’t use prototypes] because the prototypes that were from the research centre if I would have taken those to the Sales the concept would have died. They were so ugly. And they were proof of technology and what I wanted to sell, what I was selling was an idea, a dream, something that can be really beautiful. I didn’t have that. I have very ugly things that were working. [laughs] So rather than selling those, I was selling, how do you say, clouds. [...] I had power points. I had the UX team. But it is very important Raluca, because I actually had the concept. So at conceptual level, with the product manager and the UX guys we were able to describe the use cases, we were able to describe the scenarios, we able to describe how the people will use it, why. So we had all the why in place. We didn’t have the prototype. We had the why.” (Stage 3, business owner) [M-LB2]</p> <p>“the topic was very difficult because you had to convince [the executive management] that there is need for this product category, you had to convince that it makes sense the product as such, that it fits a consumer need, you had to convince that you will not take</p>

	<p>too much money from them in order to do it and they are not going to use their people from the other units too much, and you had to convince that you are not a threat to them, that you are complementing, not threatening, and you are not doing anything against them and try to get this management, trying to get their support was actually essential.” (Stage 3, business owner) [M-LB3]</p>
LEGITIMACY PATTERNS	
Trade-offs [TO1-3]	<p>Emphasising alignment with strategic interests of the target audience while downplaying product features / actions that do not match normative expectations and/or prevalent model/approach within the organisation</p> <ul style="list-style-type: none"> • SecPrd2 “it was clear for everyone, everybody that for example, efficiency of [the secondary technology] is not as good as with the normal [existing technology]. And obviously our values, environmental, we are strict in those ones, we want to be a green company. So it kind of a ... trying to convince that actually ok, it is, it will consume power, more power than a normal [complementary product based on existing technology], but then hey, think about the easiness, think about those benefits that you get. And then at the same time, during the [use], the efficiency is not on par, but then at the same time I figured ok, your [secondary product] is kind of ... without [being] used quite a lot of time, so what we can do is to kind of get the power consumption on a standby mode as low as possible.” (Stage 2, product manager) [TO1] • SecPrd3 “So with those guys, I’ve never told them: this thing can disrupt your business. I said: your business will benefit from this. And that’s true. I’ve never lied because that’s the truth for short to midterm. The disruption will come in longer term [...] So with those guys we never talked about what will happen in 5 years. Will it be a disruption or not? It was important to say: For the next year, you’ll have this as a complementary product and to help your product. Fine [they said]. Go do it!”. (Stage 3, business owner) [TO2] <p>Engage in external partnerships to create product image despite the prevalent in-house model to product development</p> <ul style="list-style-type: none"> • SecPrd2 “this [partnering] received an awful lot of resistance from within our organisation, you can’t do it, that there is no way, we don’t do things like that, it’s not possible, it’s not legal, it’s ... all those kind of things. At every turn was basically, you know, not trying to sabotage it but trying to kind of derail it.” (Stage 2, partnering director) [TO3]
Inter-dependencies [ID1-3]	<p>Seek external feedback from customer & consumers to support internal lobbying</p> <ul style="list-style-type: none"> • SecPrd2 “when we started to see the success [results from consumer testing] [we] became more confident that we want to talk more about this so that people were really getting the chance of kind of see it and experience it so that it is not just another feature on the feature list. And then the whole company, when you get the consumer feedback, starts believe in it, because you have facts more or less. [...] So then it became easier to start testing it even more and looking what are the opportunities and believing in it, that all the investments that we are planning to make, make sense.” (Stage 2, business owner 2) [ID1] • SecPrd3 “We went to the [retailer] and said that: hey, we are going to ... and that was the first thing: hey, look what a cool idea we have and we are going to do this. And they were like: yeah, everybody else is thinking that. That was the first thing, that actually because there were not too many products on the market yet. But you know, the indication from them that actually everybody is planning to do something like that it was the first indication to our management that: Damn, this is coming, it’s really coming, it is not this mad women there saying this”. (Stage 3, business owner) [ID2] <p>Extensive networking at team level to precede lobbying at management level</p> <ul style="list-style-type: none"> • SecPrd3 “I had to go to all the important stakeholders and pitch the product. [However] the moment I went to them, I had been already engaged with people in their organisation at different levels. So how I started [was to go] across the organisation and people at the engineering level, or at the product management level, colleagues and people that would have been at the level of my sub-ordinate” (Stage 3, business owner) [ID3]